

RAPLEYS

Hearing Statement for
LaSalle Investment Management (Representor No 19)
**HILLINGDON LOCAL PLAN
PART 2 EXAMINATION
MAIN MATTERS 3, 4 AND 7**

27 July 2018

Our Ref: WH/840/64/1

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1 INTRODUCTION

1.1 This Hearing Statement has been prepared by LaSalle Investment Management ('LaSalle') on:

1. Matters 3 (SA21 - Allocation for Eagle House)
2. Main Matter 4 (Locally Significant Employment Location designation in relation to Odyssey Business Park);
3. Main Matter 7 (Policies DME 1 and DME 3)

1.2 A Statement of Common Ground ('SOCG') has been agreed with London Borough of Hillingdon ('LBH') in response to the Examination Questions and to address changes in circumstances since the Hillingdon Local Plan Part 2 ('HLPP2') was published in 2015. The SOCG contains proposed changes to the HLPP2 agreed between the parties in relation to Policy SA21 and Policy DME 1 and DME 3. This Statement has been prepared in the context of the SOCG and to address LaSalle's outstanding objection and respond to the Examination Questions.

2 MAIN MATTER 3

2.1 As set out in the SOCG, it has been agreed between LBH and LaSalle that **the proposed allocation SA21 is deleted and Eagle House is retained within the Town Centre designation.**

2.2 The site's new owner represented by LaSalle has recently submitted a planning application for the development of a hotel (ref: 2342/APP/2018/2294). Regardless of the outcome of this application, the proposed allocation for housing development is unsound. It is inappropriate and contrary to the National Planning Policy Framework (NPPF 2012), as it restricts the site's land use to residential only and does not promote the effective use of urban brownfield land.

2.3 The agreed changes address the soundness issue, as the site's existing Town Centre designation and previously developed land status confirm that redevelopment of the site for uses appropriate within the Town Centre including hotel, offices, retail and residential use is acceptable in principle.

3 MAIN MATTER 4

3.1 The Examination Question asks whether the employment land allocations set out in HLPP2 justified by appropriate available evidence, having regard to national guidance and local context, including the HLPP1 (2012).

3.2 LaSalle maintains its objection to the allocation of Odyssey Business Park ('Odyssey') as a Locally Significant Employment Location ('LSEL') in the Site Allocations Document. This is because Odyssey is safeguarded for a "*range of employment activities*" which is inconsistent with its existing office business park function and does not recognise its importance as an existing key office stock or seek to facilitate its future enhancement/growth.

3.3 The HLPP1 proposed designations of two types of employment land: Locally Significant Industrial Sites ('LSIS') and LSELS. The former relates to locations where industrial and warehousing activities can operate and the latter has a light industrial, office and research role. The HLPP1 explains that the purpose of this distinction is to ensure that new office development is located where public transport accessibility is strongest and to ensure that the function of industrial areas are not compromised by 'sensitive' neighbour uses. Odyssey was identified as a new LSEL given that "it is a modern office park of significant size" (paragraph 5.8).

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- 3.4 Paragraphs 5.13 and 5.14 explain that to reflect changing economic circumstances, LBH will update the Employment Land Study ('ELS') in advance of the examination of the HLPP2 to reflect changing economic circumstances to inform a potential release of industrial and warehousing land.
- 3.5 With regard to office based employment growth, based on the ELS (2009) and the GLA's London Office Policy Review (2009), the HLPP1 seeks to accommodate 83,100sq.m of new office space needed over the Plan period up to 2026/7. The LSELs are designated as established employment areas suitable for new office development.
- 3.6 LBH's updated ELS 2014 (Document ref: EB002) reviewed Strategic Industrial Locations and non-designated employment land clusters including Odyssey (Cluster 21).
- 3.7 With regard to employment forecast from 2012 to 2026, the net demand for office floorspace is projected to be between 154,360sqm to 199,938sq.m which is significantly higher than the office requirements in the HLPP1. The net demand for industrial floorspace is projected to decline between -94,200sqm to -114,000sqm, resulting in a surplus employment land in the region between 16ha and 21ha. Based on the conclusion that the medium scenario is most likely to occur, the ELS identified that demand for offices is expected to be strong with the need for approximately 175,000sqm while there is a surplus of approximately 18.7ha of industrial land.
- 3.8 Based on the identified net additional demand of office floorspace up to 2026, the ELS recommends that 80% is met through known development proposals at the existing out of town centre employment clusters and residual 20% could be accommodated in Uxbridge Town Centre and other local town centres. The ELS recommends that Odyssey could be designated as LSES because it is an out of town business park, which currently provides office floorspace and LSES would help to protect them from potential change of use.
- 3.9 It is worth noting that the ELS appeared to have assessed the industrial land demand for Class B2/B8 floorspace. However, that the office and industrial use (including Class B1c light industry) sectors are not interchangeable in terms of the conversion of floorspace to employment land requirements using plot ratios and the sector's locational requirements. The London Plan makes a clear distinction between industrial land (including Class B1c light industry) and office provision and deals with two sectors under separate policies.
- 3.10 Evidently, the Council's own evidence base and the site's established and longstanding use as an out of town business park demonstrate Odyssey's importance as the existing office stock and the loss of office floorspace could have impact on the supply and demand balance in the future.
- 3.11 Notwithstanding this, Odyssey's LSEL allocation as set out in the HLPP2 is drafted in such a way that it is protected for a range of employment activities. By virtue of the purpose of LSEL, it can be interpreted that "a range of employment activities" would include light industrial use. The HLPP2's failure to recognise Odyssey's existing use, role and function as a business park is not justified by evidence as outlined above, and not positively prepared to support its retention, renewal and modernisation, contrary to national policy. More specifically, there are following issues relative to the soundness:
- It implies that Odyssey is protected for office use as well as light industrial use which is not suitable for the site and its demand is not identified in the evidence base. It is not consistent with the strategic Development Plan - The London Plan 2016 - which encourages mixed use development to develop and strength Outer London's office market under Policies 2.7 and 4.3. These policies specifically support mixed use development of existing office sites to encourage the renewal and modernisation of the office stock. The allocation of Odyssey as a LSEL, as proposed in the HLPP, which

does not recognise its office function could lead to confusion in terms of assessing the site's suitability for mixed use development to facilitate renewal and modernisation of the office provision in future.

- The NPPF advises that Local Plans should set out clear policies on what will or will not be permitted and where and only policies that provide a clear indication of how a decision maker should react to a development proposals should be included in the plan. However, the allocation implies that Odyssey has a range of employment activities and LSEs, by the Plan's definition, seek to safeguard land for office as well as light industrial use. This is ambiguous as it does not positively support the retention, renewal and modernisation of Odyssey as an office business park, with the potential for mixed use development in line with the London Plan.

3.12 We therefore consider that Odyssey's designation as a LSEL as currently drafted on page 137 is unsound, and it should be amended to recognise its importance to the Borough's economy as Class B1a office business Park and to support future renewal and modernisation, including through mixed use development.

3.13 Should the Inspector consider the allocation of Odyssey, as drafted in the HLPP2 is sound, LaSalle considers that Policy DME 1 dealing with LSEL sites would need to be amended as per the agreement reached with LBH addressed in Main Matter 7 (Section 4 of this SOCG) to ensure the Plan's soundness.

4 MAIN MATTER 7

4.1 As set out above and in the SOCG, LaSalle considers that the agreed changes to Policy DME 1 Criterion D are necessary for the soundness of the Plan so that it is consistent with the London Plan and national policy.

4.2 With regard to Policy DME 3, notwithstanding that national policy identified office as a town centre use, it does not preclude designating sites for offices outside the town centre in order to meet the identified needs. A sequential test to planning applications for main town centre uses is only necessary if the proposal is not in an existing centre and not in accordance with an up-to-date Plan. Therefore, development or redevelopment of sites allocated for office use in the HLPP2 which provides additional office floorspace is in accordance with an up-to-date Plan and no sequential test is required. Policy DME 3 Criterion F should ensure that it does not unnecessarily require a sequential test to be applied to proposals which facilitate renewal or growth of Odyssey as an existing office business park. The agreed changes set out in the SOGC in the event that the designation of Odyssey as currently drafted in the HLPP2 is found to be sound. If any changes are made to Odyssey's designation, then it should be amended accordingly to avoid the sequential test being required unnecessarily.